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General Assembly

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Review of the implementation of the recommendations and decisions adopted by the General Assembly at its tenth special session: Advisory Board on Disarmament Matters; United Nations Institute for Disarmament Research

Programme budget for the biennium 2004-2005

Request for a subvention to the United Nations Institute for Disarmament Research resulting from the recommendations of the Board of Trustees of the Institute on the work programme of the Institute for 2005

Note by the Secretary-General

Summary

In accordance with the provisions of the statute of the United Nations Institute for Disarmament Research (see resolution 39/148 H, annex, art. VIII, para. 3), the recommendations of the Board of Trustees of the Institute for a subvention for 2005 from the regular budget of the United Nations is hereby transmitted to the General Assembly for approval. In its approval of the programme budget for the biennium 2004-2005 (see resolution 58/271 A), an amount of $561,600 was included under section 4, Disarmament, to finance the subvention for the Institute.

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1. At its forty-third session, held from 30 June to 2 July 2004, the Advisory Board on Disarmament Matters, in its capacity as the Board of Trustees of the United Nations Institute for Disarmament Research (UNIDIR), approved, for submission to the General Assembly, the report of the Director of the Institute on its activities for the period from August 2003 to July 2004 and the proposed programme of work and estimated budget for the biennium 2004-2005 (see A/59/168). The present report, reflecting the updated estimates that have since been provided by the Institute for review by the Advisory Committee on Administrative and Budgetary Questions, is submitted to the Assembly in the context of its consideration of a subvention of $227,600 for 2005 from the regular budget of the United Nations, to be recosted in accordance with the technical adjustment to the programme budget for the biennium 2004-2005 to be submitted to the General Assembly in the context of the first performance report.

2. In the report of the Director of UNIDIR on the activities of the Institute for the period from August 2003 to July 2004, it is stated that the Board strongly appealed for continuation of the subvention and annual cost adjustments. The Board further stressed the subvention for the Institute carried out two vitally important roles. First, it assured the independence of the Director of the Institute and therefore an unbiased research programme, and, secondly, it assisted the Director in raising voluntary funds. The latter function was particularly important under the current cuts in funding for disarmament-related programmes and projects. (A/59/168, para. 6).

3. Section 4, Disarmament, of the programme budget of the United Nations for the biennium 2004-2005 (A/58/6 (Section 4)), as approved by the General Assembly in its resolution 58/271 A of 23 December 2003, contains a provision of $561,600 representing the United Nations biennial subvention to UNIDIR. Notwithstanding the inclusion of the necessary provision in the programme budget, a formal annual request for a subvention is submitted to the General Assembly, in keeping with established procedure. For 2005, a subvention of $227,600 is requested, to be adjusted through recosting in the context of the first performance report.

4. Under section IV of General Assembly resolution 44/201 B of 21 December 1989, the Secretary-General was requested to report annually to the Assembly on the situation of the Institute. In this context, the updated financial situation of the Institute (details of which are included in annexes I through IV to the present note) may be summarized as follows:

(a) Funds available at the beginning of 2004 amounted to $1,108,000. This figure includes an amount of $250,000 required as an operating cash reserve for 2004;

(b) Total income for 2004 is estimated at $2,032,500, consisting of: voluntary contributions and public donations ($1,730,900); other interorganizational contributions ($24,000); interest income ($50,000); and the subvention from the United Nations regular budget ($227,600). Of the total voluntary contributions and public donations, approximately 68 per cent would be used for special projects and 32 per cent for other purposes, including administrative costs;

(c) Total estimated expenditure for 2004 is $1,977,700, including a provision of $83,300 for programme support costs. Expenditures for 2005 are estimated at $2,412,400, inclusive of $104,200 for programme support costs;

(d) Available funds at the beginning of 2005 are estimated at $1,162,800, inclusive of an amount of $312,400 as an operating cash reserve.

5. **Should the General Assembly decide to approve the recommendation of the Board of Trustees of UNIDIR, a subvention of $227,600 for 2005, to be recosted, would be provided to UNIDIR. No additional separate appropriation would be required under section 4, Disarmament, of the programme budget for the biennium 2004-2005 to accommodate the subvention.**

Annex I

Income and expenditure estimates for 2004 and 2005

(Thousands of United States dollars)

Items	*2004 (Estimates)*	*2005 (Estimates)*
A. Funds available at the beginning of the year	1 108.0[a]	1 162.8[c]
B. Income:		
Voluntary contributions and public donations	1 730.9[b]	1 456.0[d]
Subvention from the United Nations regular budget	227.6	227.6[e]
Other interorganizational contributions	24.0	0.0
Interest income	50.0	50.0
Miscellaneous income	0.0	0.0
Total income	**2 032.5**	**1 733.6**
C. Prior period adjustments	0.0	0.0
D. Prior period obligations	0.0	0.0
E. Total funds available	3 140.5	2 896.4
F. Expenditure	1 977.7	2 412.4
G. Fund balance at the end of the year	1 162.8[c]	484.0[f]

[a] Includes $163,800 required as operating cash reserve for 2003.

[b] See annex III for details of UNIDIR estimated income from voluntary sources in 2004. Includes the first instalment in the amount of $882,000 of the European Commission contribution of €1,500,000 for a 20-month project.

[c] Includes $250,000 required as operating cash reserve for 2004.

[d] See annex III for details of UNIDIR 2005 estimated income from voluntary sources. Includes the second instalment in the amount of $956,235 of the European Commission contribution of €1,500,000 for a 20-month project. The estimates for 2005 other contributions are conservative. However, based on experience, the amount is likely to be higher.

[e] To be technically adjusted in the context of the first performance report.

[f] Includes $312,400 required as operating cash reserve for 2005.

Annex II

Estimated resource requirements, 2004 and 2005

(Thousands of United States dollars)

Resource requirements	*(a) 2004[a] Estimate*	*(b) 2005[a] Estimate*	*(c) = (b-a) Increase/ (Decrease)*
A. Direct programme and administrative costs			
Salaries and related staff costs	592.0	595.2	3.2
Consultants' fees and travel	93.3	142.9	49.6
Ad hoc expert groups	127.2	229.8	102.6
Personal service contract	837.5	1 161.9	324.4
Official travel of staff	113.4	134.2	20.8
Other specialized training	5.0	-	(5.0)
Other contractual services	5.5	8.8	3.3
Hospitality	14.0	6.0	(8.0)
Rental of conference room	4.0	4.0	-
Rental of office equipment	4.1	6.3	2.2
Rental of conference service equipment	2.0	2.0	-
Maintenance costs	2.0	2.0	-
Bank charges	1.0	-	(1.0)
Communications	1.0	-	(1.0)
Paper for internal reproduction	10.0	12.0	2.0
Subscriptions and standing orders	2.5	2.5	-
Acquisition of office equipment	76.9	-	(76.9)
Acquisition of fax	1.0	1.0	-
Stationery and office supplies	1.0	1.0	-
Data-processing supplies	1.0	1.0	-
Subtotal	**1 894.4**	**2 310.6**	**416.2**
B. Programme support costs			
5% of (Total A, less United Nations subvention)	83.3	104.2	20.9
Total expenditure (Total A + B)	**1 977.7**	**2 414.8**	**437.1**
C. Operating cash reserve			
At least 15% of (Total A, less United Nations subvention)	250.0	312.4	62.4
Total (A + B + C)	**2 227.7**	**2 727.2**	**499.5**

[a] These figures may be increased upon the confirmation of current funding proposals.

Annex III

Revised estimated income from voluntary sources, 2004 and 2005

(United States dollars)

Donor	*2004[a]*	*2005[a]*
A. Governmental contributions		
Canada	32 143	-
France	330 000	330 000
Greece	7 800	7 800
India	10 000	10 000
Luxembourg	2 000	2 000
Mexico	10 000	-
Norway	265 137	90 000
Republic of Korea	10 000	10 000
Switzerland	54 688	50 000
United States of America	50 000	
Subtotal (A)	**771 768**	**499 800**
B. Public donations		
Bonn International Centre for Conversion	2 500	-
Educational Fund to Stop Gun Violence	5 000	-
European Commission[b]	882 000	956 235
Graduate Institute of International Studies[c]	15 536	-
Simons Foundation	14 514	-
UNDP Geneva Office	39 600	
Subtotal (B)	**959 150**	**956 235**
Total voluntary contributions (A + B)	**1 730 918**	**1 456 035**

[a] These figures will be increased upon the confirmation of current funding proposals.

[b] The contribution of the European Commission in the amount of €1,500,000 for the 20-month project entitled "A Strategy for European Action on Small Arms, Light Weapons and Explosive Remnants of War".

[c] This contribution comes from France and Switzerland through the Graduate Institute of International Studies.

Annex IV

Revised status of 2004 estimated income from voluntary sources

(United States dollars)

Donor	*Total amount of contributions*
Received	
Canada	32 143
Mexico	10 000
Norway	175 137
Switzerland	54 688
Bonn International Centre for Conversion	2 500
Educational Fund to Stop Gun Violence	5 000
Graduate Institute of International Studies	15 536
Simons Foundation	14 514
UNDP Geneva Office	39 600
	349 118
Pledged	
France	330 000
Greece	7 800
India	10 000
Luxembourg	2 000
Norway	90 000
Republic of Korea	10 000
United Kingdom of Great Britain and Northern Ireland	50 000
European Commission	882 000
	1 381 800
Total	**1 730 918**